

**Vermont
Workforce Development Council**

**Executive Committee Meeting
3/12/07**

NOTES

1) Workforce Legislation:

The Committee reviewed the current legislation and identified our next steps. There are several bills in play, H-433, the original House Commerce Bill, has received the most attention and will probably be the starting point for the Senate Economic Development Committee. S-122 which proposed a variety of programs at the tech Centers along with several categories of Scholarships and Loan Repayments. S-154 addresses tech ed governance and funding with the idea of increasing access. All of the activities covered in the next Generation Report, however not all of them are recommended with specific funding.

From the \$5.0m in the '07 budget, the Next Generation Report recommends:

- \$2.0m - Scholarships, \$0.5m of that for Dual Enrollment
- \$1.5m - Repayment for individuals working in "Champion" defined targeted sectors
- \$1.5m - Workforce development \$0.7m for the WETF and \$0.8m for the VSAC non-Degree Grant program.

(Details can be found on p.18 of the NG Report)

This is the Governor's position and it was agreed that this is what the Council should support. The Governor has proposed \$7.0m for the '08 budget and presumably would maintain the same proportion of funding across these activities.

We also discussed ideas from the NG Report and the bills listed above that do not require new funds (one would require minimal funding), but which would have significant benefits. We should discuss these with the Governor's office in preparation for testimony in the Senate.

These include:

- 1) Making all college credit courses taken while in HS count toward HS graduation (a useful, but not essential, addition to this would be to authorize High Schools to use their State Grant funds to pay for college tuitions).
- 2) In the House Bill, expand the allowable training activities in Sec. 544 beyond "new or vacant positions", a very restrictive clause, to also

permit training for "workers who are unemployed, underemployed, or at risk of becoming unemployed due to changing demands in the workplace, or which improve the productivity and job security of incumbent workers by addressing the need to upgrade skills." This is proven language from current WETF for which the Governor has already proposed increased funding.

- 3) In the House Bill, combine the internships (and substitute the term "work-based learning") and stipends from Sec. 545 as an option under the training programs authorized in Sec. 544, and eliminate Sec. 545, thus providing more flexibility. This would formally permit these activities, although they have been funded as part of training programs under the VTP and WETF in the past.
- 4) In the Senate Bill (S 122), provide \$50,000 to \$100,000 to VDOL to work with DOE and VSAC on implementing strategies to improve career awareness among guidance personnel serving middle and high school youth. This is a priority from the NG Report, Recommendation 4, but was not budgeted.
- 5) In the Senate Bill (S 122), support the proposal for regional tech center governance and regional funding. Probably not an item for this year, but worth more attention.

Each of these could all make a significant difference in workforce training delivery without an impact on the State budget. Pat will discuss these with the Governor's office.

One other concept from the NG Report that should not be lost and that might be the basis of work over the next year would be further study of long-term innovative training funding ideas.

- 6) Assign the WDC or form a Study Commission to explore some of the innovative funding solutions from other States and countries as listed in the NG Report. Including....
 - funding workforce development and training by "capturing" the additional taxes paid into the system by persons receiving higher wages due to a training program;
 - requiring on the job training programs as part of the bidding process for all publicly funded construction projects;
 - requiring that an investment of a certain amount of pennies for every hour worked on a state funded construction project be put into a training fund;
 - authorizing bonding to fund scholarships and training programs and then using the taxes of newly trained workers to pay off the bond;
 - tax increment financing;
 - tobacco fund dollars;

- changes to the Higher Education Trust Fund; and
- innovative programs from other states and countries including Iowa, Missouri, Kansas, Georgia, and Ireland.